LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **NOVEMBER 28, 2006**, upon the application of **TELLUS OPERATING GROUP**, **LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Smackover B Formation**, **Reservoir A**, in the Antioch Field, Claiborne Parish, Louisiana.

- 1. To permit Applicant to designate and utilize two (2) additional alternate unit wells for SMK B RA SUE at the locations shown on the plats submitted with the application, in exception to the spacing provisions of Office of Conservation Order No. 344-E, effective March 28, 2000 and in lieu of the locations approved for these wells by Office of Conservation Order No. 344-E-9, effective September 13, 2005.
- 2. To permit Applicant to drill, designate and utilize an alternate unit well for SMK B RA SUN at the location shown on the plats submitted with the application, in exception to the spacing provisions of Office of Conservation Order No. 344-E, effective March 28, 2000.
- 3. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the Smackover B Formation, Reservoir A, underlying the unit on which the proposed well is located which cannot be efficiently and economically drained by any existing well on such unit.
- 4. To permit the operator of SMK B RA SUE and of SMK B RA SUN to produce the allowables assigned to these units from either the unit well, any alternate unit well, or from any combination of such wells, at the option of the operator.
- 5. To consider such other matters as may be pertinent.

The Smackover B Formation, Reservoir A, is defined in Office of Conservation Order No. 344-E-8, effective April 5, 2005.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 11/14/06;11/17/06 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.